

This record is a partial extract of the original cable. The full text of the original cable is not available.

C O N F I D E N T I A L SECTION 01 OF 02 TEGUCIGALPA 003407

SIPDIS

DEPT. FOR WHA, EB, AND WHA/CEN
STATE PASS AID FOR LAC/CEN

E.O. 12958: DECL: 12/19/2012

TAGS: [PGOV](#) [PREL](#) [PINR](#) [ECON](#) [HO](#)

SUBJECT: POSSIBLE CABINET SHAKEUP IN HONDURAS AS MADURO
LOOKS TO RECAPTURE MOMENTUM

Classified By: Ambassador Larry Palmer; Reasons 1.5 (B) and (D).

11. (C) SUMMARY: As President Ricardo Maduro staggers to his first anniversary in office, there are emerging signs that he will make some changes in his Cabinet in an effort to recapture the political initiative in the country. One rumored change is a new Foreign Minister. Other more probable targets for turnover are the National Security, Education, Health, Social Investment, Environment, and International Foreign Assistance Coordination Ministers. On the other hand, former Honduran Ambassador to the U.S. and current Government and Justice Minister Jorge Ramon Hernandez Alcerro, is poised to win broader powers and influence as he will be given a new office in the Casa Presidencial. The conventional political wisdom is that the President must act now to remove ineffectual ministers and reinvigorate his mandate. According to political commentators, early presidential campaigning will likely begin in January 2004, at which time the Maduro government will begin its inevitable slide toward lame-duck status. END SUMMARY.

12. (C) Over the last two weeks there is a growing strength to the rumor that current Foreign Minister Guillermo Perez-Cadalso Arias will leave the Foreign Ministry to become Rector of the National University (UNAH). The Rector's position at the autonomous UNAH is a high profile and very political position that has been controlled by the Liberal Party during the last eight years. The Nationalists are now poised to claim the spot. However, there has been fierce politicking over who should be the favored Nationalist candidate. Sources indicate that Perez-Cadalso is emerging as a compromise candidate who appeals to the competing Nationalist Party sectors. The election for the new Rector could take place this week or in early January at which time Perez-Cadalso could leave the Foreign Ministry.

13. (C) Perez-Cadalso has performed capably but without great fanfare at the Foreign Ministry. He has not taken any bold initiatives but, while not a member of the tight Maduro inner circle, conscientiously carried out Maduro Administration foreign policies. In particular, he has managed to lower the previous screeching tenor of diplomatic exchanges related to Honduras' border conflicts with its neighbors. His only other lasting impact at the Foreign Ministry has been to implement a crushing 18 per cent budget reduction that has reduced the size of domestic and overseas diplomatic operations. Perez-Cadalso has done little to help Honduras become a party to the seven outstanding international and OAS counterterrorism conventions/protocols, but he did sign an ICC Article 98 Agreement with the USG. MFA DG for Foreign Policy, AMB Mario Fortin, acknowledged the rumors of Perez-Cadalso's possible departure but told PolOff December 19 that no decision had been made yet by President Maduro to change the Minister of Foreign Affairs. Among rumored replacements are current National Security Advisor Ramon Medina Luna and Government and Justice Minister Jorge Ramon Hernandez Alcerro.

14. (C) Casa Presidencial and press reporting inform that Hernandez Alcerro is poised to win broader powers and influence as he will be given a new office in the Casa Presidencial. Political Section sources say that Hernandez Alcerro is being brought into the Casa Presidencial to help manage the President's political and communications strategies. He will continue to maintain his Ministerial portfolio but will be given new (unspecified) authority to manage the Administration's policy initiatives. (COMMENT: If true, Hernandez Alcerro will re-assume his campaign role as the communications and policy czar. In our view, Hernandez Alcerro is the only member of the Maduro inner circle who can approach the same level of confidence with the President that Minister of the Presidency Luis Cosenza maintains. His entry into the Casa Presidencial could create a significant counter-weight or complement to Cosenza's role. Post notes that Cosenza has seemed to struggle at times as Maduro's chief of staff. We will watch closely to see how the presidential ambitions of these two advisors influence internal presidential decisionmaking.)

15. (C) Ramon Medina Luna's departure from the Casa Presidencial and/or his National Security portfolio has been

rumored since last July. However, he is a charter member of the Maduro inner circle and, by inside accounts, continues to retain significant access to the President and direct involvement in the presidential decision-making process. He is the Minister that Members of Congress most detest. (COMMENT: In our view, a move to the Foreign Ministry would further complicate the Maduro Administration's relations with Congress. END COMMENT.)

16. (C) The ministers most likely to be removed in the short time are the Education, Health, and Social Investment Fund (FHIS). Education Minister Carlos Avila was recently voted the worst minister by the media and is a lightning rod for complaints by secondary schoolteachers about the Maduro Administration's hard-line salary negotiating tactics. (Maduro, however, has publicly supported Avila and extolled his virtues.) The Health Minister, Elias Lizardo, while getting high marks for his professional approach to the Ministry, is being criticized for not placing more Nationalist party activists in Ministry positions. Finally, FHIS Minister, Leony Yu-way, is viewed as not directing FHIS projects to Nationalist party interests in the departments. (According to political sources, this reticence is not a resistance to corruption as much as it is his unwillingness to treat FHIS projects as a political and legislative pork barrel.) Other Ministers whose names have been the subject of press speculation are Environment and Natural Resources Minister Patricia Panting (who is the chair of the ENEE Board of Directors and could be chosen as a scapegoat if the GOH decides to overturn the results of the recent controversial electricity licitation) and International Foreign Assistance Coordination (SETCO) Brenie Matute.

17. (C) COMMENT: As President Maduro staggers to his first anniversary in office, he is clearly grasping for a way to recapture the political initiative. The conventional political wisdom is the President must act now to remove ineffectual ministers and reinvigorate his mandate. Maduro recently reiterated publicly that he would regularly review Ministerial performance. Two ministers (Security Ministry Arias and Trade Minister Handal) were forced out earlier this year after they were no longer producing desired results. A change in some Ministers would also allow Maduro to win some points with Nationalists (especially in Congress) for responding to their criticism about the overly technocratic makeup of his government. According to political commentators, early presidential campaigning will likely begin in January 2004 at which time the Maduro government will begin its inevitable slide toward lame-duck status. Given this time-frame, some advisors are suggesting that President Maduro cannot delay making changes to Ministers who are not performing well. Maduro, himself, has fared poorly in popularity polls. He states, however, that he is not concerned about his popularity as long as he is acting in the best interest of the Honduran people. END COMMENT.
Palmer